

**Virginia Coastal Zone Management Program  
at the  
Virginia Department of Environmental Quality**

**Subaward Proposal Guidance  
Itemized Budget and Narrative Justification**

**Updated 1/26/21**

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## I. INTRODUCTION

All proposals submitted to the Virginia CZM Program (“VA CZM”) must include an Itemized Budget and Narrative Justification. This Virginia CZM Program guidance outlines the detail and documentation that must be provided with this component of the proposal. Providing the required information with the initial proposal submission will help prevent delays during the review process.

This Budget Guidance is intended to supplement, not replace, relevant federal and state guidance. While this budget guidance highlights certain key requirements of the relevant federal and state guidance, it is not comprehensive. Accordingly, this guidance should be read in conjunction with the following federal guidance, as well as any other relevant rules, regulations or policies.

- National Oceanic and Atmospheric Administration (NOAA) Grant Guidance, including the Budget Narrative Guidance for NOAA Grants (NOAA Budget Guidance) and Frequently Asked Questions about Financial Assistance
- Department of Commerce Grants and Cooperative Agreements Manual (DOC Grant Guidance)
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)<sup>1</sup>

See **Section VI - References** below for links to these documents.

This guidance applies only to proposals submitted through the VA CZM Program.

Applicants should notify the Virginia CZM Grants Coordinator prior to proposal submission about any detail required by this guidance that cannot be provided.

## II. PROJECT COSTS, GENERALLY

Only costs that are allowable under the cost principles outlined in the Uniform Guidance and the NOAA Budget Guidance should be included in the project budget.<sup>2</sup> Like costs must be calculated in a consistent manner across tasks and Federal / Non-Federal Match categories.<sup>3</sup>

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<sup>1</sup> The NOAA financial assistance requirements are governed by the Uniform Guidance. See Uniform Guidance @ 2 CFR 200.101(a); NOAA Acquisition & Grants – Financial Assistance website.

<sup>2</sup> NOAA Budget Guidance @ page 1. See Uniform Guidance @ 2 CFR 200, Subpart E for further detail regarding cost principles.

<sup>3</sup> See Uniform Guidance @ 2 CFR 200.403(c-e). This aligns with the “consistency principle,” which is one of the fundamental threads running through the Generally Accepted Accounting Principles (GAAP) issued by the Financial Accounting Services Board (FASB). See FASB Statement of Financial Concepts No. 8 @ Chapter 3; FASB Accounting Standards Codification.

No Federal funds or Non-Federal Match may be expended for in-kind goods or services, for purposes of providing transportation, travel or other expenses for any Federal employee.<sup>4</sup>

Whenever possible, actual expenses / vendor quotes or past experience should be used to build proposal budgets. However, VA CZM recognizes that budgets are estimates and that costs actually incurred to carry out a project may differ from what was included in an applicant's budget. NOAA and VA CZM have processes in place to address this situation post-award.<sup>5</sup>

### III. PROJECT BUDGET

Each project budget should be broken down into a Budget Summary Table as follows:

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -
Supplies	\$ -	\$ -	\$ -
Contractual	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
Total Direct Costs	\$ -	\$ -	\$ -
Indirect Costs	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

As outlined in more detail throughout this guidance, for each budget category to which an expense is assigned, the applicant must:

1. Complete the required Proposal Worksheets
2. Provide a Narrative Justification
3. Populate the Budget Summary Table (illustrated above)

If no expense is projected for a particular budget category, \$0 should be entered in the Budget Summary Table. All costs should be rounded to whole U.S. dollars.

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<sup>4</sup> NOAA Budget Guidance @ page 1.

<sup>5</sup> Refer to the General Terms and Conditions for Federally Funded Grant Contracts (Coastal Zone Management) included in a grantee's award package for specific detail regarding the budget amendment process or contact the appropriate VA CZM Project Manager for more information.

## A. PERSONNEL

Salaries and wages for employees whose work is directly attributable to the project may be included as a direct cost in the Personnel category of the applicant's project budget.<sup>6</sup> Personnel time included in the project budget should be programmatically necessary and the allocation of cost should be consistent with project work.

### Calculating Personnel Cost

To calculate a project staff member's **Federal** Personnel cost:

*Project staff's annual salary X % of project staff's overall time (Level of Effort)  
allocated to Federal project funds*

To calculate a project staff member's **Non-Federal Match** Personnel cost:

*Project staff's annual salary X % of project staff's overall time (Level of Effort)  
allocated to Non-Federal Match funds*



The Uniform Guidance indicates that the salaries of **administrative and clerical staff** should normally be treated as Indirect Costs (i.e., included in the applicant's overall Indirect Cost calculation, rather than as a dollar-for-dollar direct cost in the Personnel budget category).<sup>7</sup>

However, the Uniform Guidance and the NOAA Budget Guidance allow allocable administrative and clerical staff time to be included as a direct cost in the Personnel budget category if all of the following conditions are met:<sup>8</sup>

1. The administrative or clerical services are integral to the project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget (or have the prior written approval of the Federal awarding agency); and
4. The costs are not also recovered as Indirect Costs.



Any allowable vendor / contractor expense should be included in the *Contractual* budget category, not in *Personnel*.

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<sup>6</sup> See **Section III.I - INDIRECT Costs** for more detail regarding classifying costs as direct versus indirect.


<sup>7</sup> Uniform Guidance @ 2 CFR 200.413(c). See **Section III.I- Indirect Costs** for more detail.


<sup>8</sup> NOAA Budget Guidance @ p. 1; Uniform Guidance @ 2 CFR 200.413(c).


### A1. Personnel Worksheet

If Personnel expense is included in the project budget, the Personnel Worksheet must be completed for any Federal and/or Non-Federal Match Personnel expense. To comply with the NOAA Budget Guidance, the following detail must be provided for each project staff included in the budget:<sup>9</sup>

- Position Title
- Employee Name (or Vacant)
- Annual Salary
- Level of Effort on Project (%)
- Allocable Personnel Cost (Annual Salary x Level of Effort on Project)

 Level of Effort must not exceed 100% for any individual project staff, either within a single task or across multiple tasks.<sup>10</sup>

 Annual salary amount for each project staff must be current and consistent across tasks.

 Applicant staff time may be included as Federal or Non-Federal Match.  
Donated third party staff time must be included as Non-Federal Match and must be detailed in the Non-Federal Match Personnel Worksheet with a note indicating that they are “in-kind” Personnel.

#### EXAMPLE:

##### Personnel Worksheet - Federal Costs

Title	Name	Annual Salary	Level of Effort (%)	Personnel Cost
Executive Director	Mary Jones	\$ 100,000	50%	\$ 50,000
Coordinator	Vacant - To be filled by Jan. 2020	\$ 50,000	25%	\$ 12,500
<b>Total</b>				<b>\$ 62,500</b>

##### Personnel Worksheet - Non-Federal Costs (Match)

Title	Name	Annual Salary	Level of Effort (%)	Personnel Cost
Executive Director	Mary Jones	\$ 100,000	25%	\$ 25,000
Development Specialist	James Smith	\$ 26,000	10%	\$ 2,600
<b>Total</b>				<b>\$ 27,600</b>

<sup>9</sup> NOAA Budget Guidance @ page 1.

<sup>10</sup> NOAA Budget Guidance @ page 1.

## **A2. Personnel Narrative Justification**

A justification for each position with costs in the Personnel budget category (including vacant positions) must be provided for the Federal Personnel Worksheet and the Non-Federal Match Personnel Worksheet, as appropriate.<sup>11</sup>

To comply with the NOAA Budget Guidance, this justification must include:<sup>12</sup>

- Description of position role and responsibilities
- How the position relates to program objectives
- Number of months position is paid
- If the position is vacant, anticipated hire date
- If the position is administrative or clerical in nature or title, confirmation that it meets the criteria for categorizing it as a direct cost. (See page 5 above.)

### **EXAMPLE:**

#### *Personnel – Federal Costs*

**JUSTIFICATION:** The Executive Director will provide project-specific oversight, including project fiscal and personnel management, community relations for the project and implementation and evaluation of the project. The Coordinator will coordinate partner services and project activities including training, partner communication, data collection and dissemination.

#### *Personnel – Non-Federal Costs*

**JUSTIFICATION:** The Executive Director will provide project-specific oversight, including project fiscal and personnel management, community relations for the project and implementation and evaluation of the project. The Development Specialist will provide staffing support to the working council that will be helping to implement this project.

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<sup>11</sup> NOAA Budget Guidance @ pp 1-2.

<sup>12</sup> NOAA Budget Guidance @ pp 1-2.

**A3. Personnel in the Budget Summary Table**

The total Personnel amounts calculated in the Federal and Non-Federal Match Personnel Worksheets should “roll up” into the Personnel line item of the Budget Summary Table.

**EXAMPLE:**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe			
Travel			
Equipment			
Supplies			
Contractual			
Construction			
Other			
Total Direct Costs	\$ 62,500	\$ 27,600	\$ 90,100
Indirect Costs			\$ -
Total	\$ 62,500	\$ 27,600	\$ 90,100

**A4. Personnel Documentation**

Additional documentation may be requested.

## B. FRINGE

The allocable amount of Fringe Benefit expenses associated with project staff may be included in the applicant's budget.

### Calculating Fringe Benefit Expense

To calculate the maximum allowable **Federal** Fringe Benefit expense for the project:

*Fringe Benefit rate X Personnel expense amount allocated to Federal funds in the Budget Summary Table*

To calculate the maximum **Non-Federal Match** Fringe Benefit expense for the project:

*Fringe Benefit rate X Personnel expense allocated to Non-Federal Match funds in the Budget Summary Table*



**Consistent Fringe rate calculation.** To calculate Fringe expense, the applicant may choose to apply either an average agency-wide Fringe rate to all project Personnel expense or a staff-specific Fringe rate to each individual project staff.<sup>13</sup> Whichever rate calculation method is chosen must be used for all applicant tasks – the applicant may not use the average Fringe rate in one task and employee-specific rates in other tasks. Similarly, Fringe rates must be calculated consistently when determining Federal and Match allocations – the grantee may not use one method to calculate Federal Fringe expense and the other method to calculate Non-Federal Match Fringe expense.<sup>14</sup>



**Fringe rate must be proportional among Federal and Non-Federal categories.**<sup>15</sup> Accordingly, fringe must be allocated to the Federal or Non-Federal Match category in the same proportion as the related Personnel expense.

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<sup>13</sup> Uniform Guidance @ 200.431(d).

<sup>14</sup> See Uniform Guidance @ 200.403(c). This aligns with the “consistency principle,” which is one of the fundamental threads running through the Generally Accepted Accounting Principles (GAAP) issued by the Financial Accounting Services Board (FASB). See FASB Statement of Financial Concepts No. 8 @ Chapter 3; FASB Accounting Standards Codification

<sup>15</sup> See NOAA Budget Guidance @ page 2.

**EXAMPLE** (assuming an applicant fringe rate of 25%):

**PROPORTIONAL**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe @ 25%	\$ 15,625	\$ 6,900	\$ 22,525

Fringe expense would be considered "proportional" among Federal and Match categories because the Fringe expense amount allocated to the Federal category is 25% (the applicant fringe rate in this example) of Federal Personnel, the Fringe expense allocated to the Non-Federal Match category is 25% of Non-Federal Match Personnel and the total Fringe expense is 25% of total Personnel.

**NOT PROPORTIONAL**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe @ 25%	\$ -	\$ 6,900	\$ 6,900

Fringe expense would not be considered "proportional" among Federal and Non-Federal Match categories because the Fringe expense allocated to the Federal category is 0% of Federal Personnel, the Fringe expense allocated to the Non-Federal Match category is 25% of Non-Federal Match Personnel and the total Fringe expense is 8% of total Personnel expense.

**NOT PROPORTIONAL**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe @ 25%	\$ -	\$ 22,525	\$ 22,525

Fringe expense would not be considered "proportional" among Federal and Match categories because while the total Fringe expense is 25% of total Personnel expense, the Fringe expense allocated to the Federal category is 0% of Federal Personnel and the Fringe expense allocated to the Non-Federal Match category is 82% of Non-Federal Match Personnel.

### Appropriate Fringe Rate

For **applicant employees**: The applicant may choose to use either the applicant’s average agency-wide Fringe rate or staff-specific rates. Whichever rate calculation method is chosen (average Fringe rate or employee-specific rate) must be used across all tasks and for all applicant staff.<sup>16</sup>

If the applicant chooses to use the average agency-wide Fringe rate, the same rate must be used for all project employees across all grantee tasks. If the grantee chooses to use employee-specific rates, the rates may vary by project staff.

For **donated third-party staff**: The Fringe Rate provided by the third-party employer must be used to calculate Fringe costs.



The Fringe cost for any vendors / contractors should be included in the *Contractual* category, not in the *Fringe* category.<sup>17</sup>

#### **B1. Fringe Worksheet**

If Fringe Benefit expense is included in the proposal budget, the following detail must be provided in the Fringe Worksheet in order to comply with the NOAA Budget Guidance and reduce the need for clarification. This detail must be provided for all project employees included in the budget.<sup>18</sup>

- Position Name / Title (if using individual Fringe Rates)
- Fringe Rate used
- Components that comprise the rate with their percentages<sup>19</sup>
- Salary amount to which the rate is being applied (carried down from the Personnel Worksheet)
- Total Fringe cost (Salary amount x Fringe Rate)



The Fringe cost of donated third-party staff time should be included only in the Non-Federal Match Fringe Worksheet.

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<sup>16</sup> This aligns with the “consistency principle,” which is one of the fundamental threads running through the Generally Accepted Accounting Principles (GAAP) issued by the Financial Accounting Services Board (FASB). See FASB Statement of Financial Concepts No. 8 @ Chapter 3; FASB Accounting Standards Codification

<sup>17</sup> See NOAA Budget Guidance @ page 6 – Sample Justification.

<sup>18</sup> NOAA Budget Guidance @ page 2.

<sup>19</sup> Note: VA CZM requires a breakdown of Fringe components regardless of the Fringe Rate being applied. This is beyond the NOAA requirements; CZM’s request is intended to avoid the need for clarification after submission, which can delay the review process.

**EXAMPLE – Using Average Agency-Wide Rate, multiplying by each Fringe component**

**Fringe Worksheet - Federal Costs**

Component	Rate (%)	Salary (Federal Personnel from Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 62,500	\$ 5,000
Social Security	5%	\$ 62,500	\$ 3,125
Medicare	1%	\$ 62,500	\$ 625
Group Life	1%	\$ 62,500	\$ 625
Health Care	1%	\$ 62,500	\$ 625
Retire Health Ins Cred	1%	\$ 62,500	\$ 625
VSDP & Long Term Disability	1%	\$ 62,500	\$ 625
Defined Contribution Plan	7%	\$ 62,500	\$ 4,375
<b>Total</b>	<b>25%</b>		<b>\$ 15,625</b>

**Fringe Worksheet - Non-Federal Costs (Match)**

Component	Rate (%)	Salary (Non-Federal (Match) Personnel from Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 27,600	\$ 2,208
Social Security	5%	\$ 27,600	\$ 1,380
Medicare	1%	\$ 27,600	\$ 276
Group Life	1%	\$ 27,600	\$ 276
Health Care	1%	\$ 27,600	\$ 276
Retire Health Ins Cred	1%	\$ 27,600	\$ 276
VSDP & Long Term Disability	1%	\$ 27,600	\$ 276
Defined Contribution Plan	7%	\$ 27,600	\$ 1,932
<b>Total</b>	<b>25%</b>		<b>\$ 6,900</b>

**EXAMPLE - Using Agency-Wide Fringe Rates, multiplying by total Fringe rate and listing each component**

**Fringe Worksheet - Federal Costs**

Component	Rate (%)	Salary (Total Personnel Cost from Federal Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%		
Social Security	5%		
Medicare	1%		
Group Life	1%		
Health Care	1%		
Retire Health Ins Cred	1%		
VSDP & Long Term Disability	1%		
Defined Contribution Plan	7%		
<b>Total</b>	<b>25%</b>	<b>\$ 62,500</b>	<b>\$ 15,625</b>

**Fringe Worksheet - Non-Federal Costs (Match)**

Component	Rate (%)	Salary (Total Personnel Cost from Non-Federal (Match) Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%		
Social Security	5%		
Medicare	1%		
Group Life	1%		
Health Care	1%		
Retire Health Ins Cred	1%		
VSDP & Long Term Disability	1%		
Defined Contribution Plan	7%		
<b>Total</b>	<b>25%</b>	<b>\$ 27,600</b>	<b>\$ 6,900</b>

**EXAMPLE - Using Individual Fringe Rates, multiplying by each rate component**

**Fringe Worksheet - Federal Costs - Mary Jones**

Component	Rate (%)	Salary (Mary Jones Personnel Cost from Federal Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 50,000	\$ 4,000
Social Security	5%	\$ 50,000	\$ 2,500
Medicare	1%	\$ 50,000	\$ 500
Group Life	1%	\$ 50,000	\$ 500
Health Care	15%	\$ 50,000	\$ 7,500
Retire Health Ins Cred	1%	\$ 50,000	\$ 500
VSDP & Long Term Disability	1%	\$ 50,000	\$ 500
Defined Contribution Plan	7%	\$ 50,000	\$ 3,500
<b>Total</b>	<b>39%</b>		<b>\$ 19,500</b>

**Fringe Worksheet - Non-Federal Costs (Match) - Mary Jones**

Component	Rate (%)	Salary (Mary Jones Personnel Cost from Non-Federal (Match) Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 25,000	\$ 2,000
Social Security	5%	\$ 25,000	\$ 1,250
Medicare	1%	\$ 25,000	\$ 250
Group Life	1%	\$ 25,000	\$ 250
Health Care	15%	\$ 25,000	\$ 3,750
Retire Health Ins Cred	1%	\$ 25,000	\$ 250
VSDP & Long Term Disability	1%	\$ 25,000	\$ 250
Defined Contribution Plan	7%	\$ 25,000	\$ 1,750
<b>Total</b>	<b>39%</b>		<b>\$ 9,750</b>

**Fringe Worksheet - Federal Costs - Coordinator (TBD)**

Component	Rate (%)	Salary (Coordinator Personnel Cost from Federal Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 12,500	\$ 1,000
Social Security	5%	\$ 12,500	\$ 625
Medicare	1%	\$ 12,500	\$ 125
Group Life	1%	\$ 12,500	\$ 125
Health Care	25%	\$ 12,500	\$ 3,125
Retire Health Ins Cred	1%	\$ 12,500	\$ 125
VSDP & Long Term Disability	1%	\$ 12,500	\$ 125
Defined Contribution Plan	7%	\$ 12,500	\$ 875
<b>Total</b>	<b>49%</b>		<b>\$ 6,125</b>

**Fringe Worksheet - Non-Federal Costs (Match) - Coordinator (TBD)**

Component	Rate (%)	Salary (Coordinator Personnel Cost from Non-Federal (Match) Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ -	\$ -
Social Security	5%	\$ -	\$ -
Medicare	1%	\$ -	\$ -
Group Life	1%	\$ -	\$ -
Health Care	25%	\$ -	\$ -
Retire Health Ins Cred	1%	\$ -	\$ -
VSDP & Long Term Disability	1%	\$ -	\$ -
Defined Contribution Plan	7%	\$ -	\$ -
<b>Total</b>	<b>49%</b>		<b>\$ -</b>

**Fringe Worksheet - Federal Costs - James Smith**

Component	Rate (%)	Salary (James Smith Personnel Cost from Federal Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ -	\$ -
Social Security	5%	\$ -	\$ -
Medicare	1%	\$ -	\$ -
Group Life	1%	\$ -	\$ -
Health Care	20%	\$ -	\$ -
Retire Health Ins Cred	1%	\$ -	\$ -
VSDP & Long Term Disability	1%	\$ -	\$ -
Defined Contribution Plan	7%	\$ -	\$ -
<b>Total</b>	<b>44%</b>		<b>\$ -</b>

**Fringe Worksheet - Non-Federal Costs (Match) - James Smith**

Component	Rate (%)	Salary (James Smith Personnel Cost from Non-Federal (Match) Personnel Worksheet)	Total Fringe Cost
VRS Retirement Contributions	8%	\$ 2,600	\$ 208
Social Security	5%	\$ 2,600	\$ 130
Medicare	1%	\$ 2,600	\$ 26
Group Life	1%	\$ 2,600	\$ 26
Health Care	20%	\$ 2,600	\$ 520
Retire Health Ins Cred	1%	\$ 2,600	\$ 26
VSDP & Long Term Disability	1%	\$ 2,600	\$ 26
Defined Contribution Plan	7%	\$ 2,600	\$ 182
<b>Total</b>	<b>44%</b>		<b>\$ 1,144</b>

**B2. Fringe Narrative Justification**

Additional details regarding the Fringe rate calculation should be included here, including:

- Whether an average agency-wide rate or individual rate was applied
- Other unique factors that should be considered

**EXAMPLE (using agency-wide Fringe rate):**

*Fringe – Federal Costs*

**JUSTIFICATION:** Fringe costs are allocated for all Project Staff using an average agency-wide Fringe rate of 25%.

*Fringe – Non-Federal Match Costs*

**JUSTIFICATION:** Fringe costs are allocated for all Project Staff using an average agency-wide Fringe rate of 25%.

**EXAMPLE (using individual Fringe rates):**

*Fringe – Federal Costs*

**JUSTIFICATION:** Fringe costs are allocated for each project staff using their individual Fringe rates.

*Fringe – Non-Federal Match Costs*

**JUSTIFICATION:** Fringe costs are allocated for each project staff using their individual Fringe rates.

**B3. Fringe in the Budget Summary Table**

The Fringe amounts calculated in the Federal and Non-Federal Fringe Worksheets detailed in the Fringe Narrative Justification should “roll up” into the Fringe line item of the Budget Summary Table.

This example uses an agency-wide fringe rate of 25%.

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel			
Equipment			
Supplies			
Contractual			
Construction			
Other			
Total Direct Costs	\$ 78,125	\$ 34,500	\$ 112,625
Indirect Costs			\$ -
Total	\$ 78,125	\$ 34,500	\$ 112,625

**B4. Fringe Documentation**

Additional documentation may be requested.

## C. TRAVEL

Costs associated with project-related travel may be included in the proposal budget. Only the Travel costs of applicant staff should be included in the Travel budget category.<sup>20</sup>



Travel costs for consultants should be included in the Contractual budget category.



Travel for training participants, advisory committees, review panels, etc. should be included in the Other budget category. Registration fees for conferences and the like should be included in the Other budget category.<sup>21</sup>

### C1. Travel Worksheet

If Travel expenses are included in the project budget, details must be provided in the Travel Worksheet for each Federal and/or Non-Federal Match Travel item allocated to the project.

Each trip should be listed separately in the Travel Worksheet. Each Travel expense type within each trip should be listed separately in the Travel Worksheet.

To comply with the NOAA Budget Guidance, information provided in the Travel Worksheet for each trip must include:<sup>22</sup>

- Purpose of travel
- Origin and destination
- Each travel expense item. For example:
  - Mileage, tolls
  - Lodging
  - Meals
  - Airfare
  - Ground transportation
- Rate and estimated number of units (as applicable) for each travel expense item. For example:
  - Mileage reimbursement rate per mile / Number of miles
  - Proposed airline (if known), airfare per person / Number of staff traveling
  - Parking per day / Number of days
  - Per diem / Number of days
  - Cost of ground transportation
  - Lodging per night / Number of nights
  - Toll rate / Number of tolls
- Total cost for each travel expense item

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<sup>20</sup> NOAA Budget Guidance @ page 3; NOAA 2020 Financial Assistance Workshop – Budget Proposals Presentation @ page 16.

<sup>21</sup> NOAA Budget Guidance @ page 6-7.

<sup>22</sup> See NOAA Budget Guidance @ page 3.

To calculate Travel costs:

$$\text{Travel expense item rate} \times \text{Number of units for that item}$$

**EXAMPLE:**

**Travel Worksheet - Federal Costs**

Purpose of Travel	Location	Item	Rate	Cost
Meeting: Invitational Travelers	Origin: Richmond, VA Destination: Washington, DC	Airfare	\$307/ flight x 2 persons	\$ 614
		Hotel	\$251 / night x 2 persons x 2 nights	\$ 1,004
		Per Diem (meals)	\$76 / day x 2 persons x 2 days	\$ 304
Meeting: Grantee staff	Origin: Farmville, VA Destination: Charleston, SC	Airfare	\$218 / flight x 2 persons	\$ 436
		Hotel	\$198 / night x 2 persons x 2 nights	\$ 792
		Per Diem (meals)	\$71/ day x 2 persons x 2 days	\$ 284
		Mileage	\$0.58 cents / mile x 433 miles	\$ 251
<b>Total</b>				<b>\$ 3,685</b>

**Travel Worksheet - Non-Federal Costs (Match)**

Purpose of Travel	Location	Item	Rate	Cost
Regional Training Conference	Origin: Richmond, VA Destination: Chicago, IL	Airfare	\$350 / flight x 2 persons	\$ 700
		Hotel	\$223/ night x 2 persons x 2 nights	\$ 892
		Per Diem (meals)	\$76 / day x 2 persons x 2 days	\$ 304
Outreach workshops	Various local travel	Mileage	\$0.58 / mile x 350 miles	\$ 203
<b>Total</b>				<b>\$ 2,099</b>

**C2. Travel Narrative Justification**

To comply with the NOAA Budget Guidance, a Travel Narrative Justification must also be provided for Federal and Non-Federal Match Travel expense that includes the following detail:<sup>23</sup>

- Why the proposed travel is necessary for successful completion of the project
- Basis for proposed costs (e.g., GSA per diem rates, current travel site estimates with site name and date researched)<sup>24</sup>

<sup>23</sup> NOAA Budget Guidance @ page 3.

<sup>24</sup> *Note:* NOAA requires that the basis for proposed costs be provided only if specific travel details are not known at the time of proposal submission. VA CZM requires that this information be provided for all proposed travel costs – regardless of whether specifics are known – in order to avoid the need for clarification after submission.



If using a mileage reimbursement rate that differs from the IRS Standard Mileage Rate in place at the time of application, detail regarding why that rate is being used should be included in the Travel Narrative Justification.

**EXAMPLE:**

*Travel – Federal Costs*

**JUSTIFICATION:** The project requires that two staff members travel to the National Resiliency Conference meeting in Washington, DC. Attendance at this meeting is necessary to the project because it will provide national examples of resiliency projects that can be replicated locally. Airfare for this travel was calculated using a ticket price on the lower end of the price range posted on Expedia.com on 8/20/19. Hotel and per diem costs were calculated using the federal GSA rates for Washington, D.C. and Charleston, S.C. for September 2019 posted on 8/20/19.

*Travel – Non-Federal Costs*

**JUSTIFICATION:** Project staff will attend the National Climate Change Conference (required of CZM grantees with climate change projects). Project staff will also be required to travel locally in order to attend project meetings, training events and project activities. Airfare for this travel was calculated using a ticket price on the lower end of the price range posted on Expedia.com on 8/20/19. Hotel and per diem costs were calculated using the federal GSA rates for Chicago, IL for September 2019 posted on 8/20/19. The mileage rate used to calculate travel costs is the IRS Standard Rate for 2019 that was in place on 8/20/19.

**C3. Travel in the Budget Summary Table**

The Travel expense calculated in the Federal and Non-Federal Match Travel Worksheets should “roll up” into the Travel line item of the Budget Summary Table.

**EXAMPLE:**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment			
Supplies			
Contractual			
Construction			
Other			
Total Direct Costs	\$ 81,810	\$ 36,599	\$ 118,409
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 81,810</b>	<b>\$ 36,599</b>	<b>\$ 118,409</b>

#### **C4. Travel Documentation**

Additional documentation may be required.

#### **D. EQUIPMENT**

The Uniform Guidance and NOAA Budget Guidance generally define “equipment” as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.<sup>25</sup>

To calculate the Equipment cost for each item:

$$\text{Rate (Unit cost of the piece of Equipment)} \times \text{Quantity allocated to the project}$$



NOAA allows expenses for *general use of equipment such as computers, faxes etc.* to be included in the project budget if such equipment is to be used only for the project (100%).<sup>26</sup>



Maintenance fees for equipment should be included in the Other budget category, not in the Equipment budget category.<sup>27</sup>

#### **D1. Equipment Worksheet**

If Equipment expense is included in the project budget, detail regarding each piece of equipment allocated to project funds must be included in the Equipment Worksheet. To comply with the NOAA Budget Guidance, this Worksheet must include:<sup>28</sup>

- Item description
- Rate (unit cost of the item)
- Quantity allocated to the project
- Total cost for each item

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<sup>25</sup> NOAA Budget Guidance @ page 4; Uniform Guidance @ 2 CFR 200.33.

<sup>26</sup> NOAA Budget Guidance @ page 4. General purpose equipment, such as office equipment / furnishings and information technology equipment and systems are typically not eligible for direct cost support. NOAA Budget Guidance @ page 4 (citing the Uniform Guidance @ 2 CFR 200.439). Special rules may also apply to other types of equipment and capital expenditures. See Uniform Guidance @ 2 CFR 200.439. Please discuss with the appropriate VA CZM Project Manager before including such expenses in the project budget.

<sup>27</sup> NOAA Budget Guidance @ page 4.

<sup>28</sup> NOAA Budget Guidance Sample Budget and Justification @ page 4.

### EXAMPLE

#### *Equipment Worksheet - Federal Costs*

Item Description	Unit Cost / Quantity	Total Cost
36" Plotter Printer	\$6,350 x 1 unit	\$ 6,350
<b>Total</b>		<b>\$ 6,350</b>

#### *Equipment Worksheet - Non-Federal Costs (Match)*

Item Description	Unit Cost / Quantity	Total Cost
N/A	N/A	\$ -
<b>Total</b>		<b>\$ -</b>

## D2. Equipment Narrative Justification

A narrative justification must be provided for each Federal and/or Non-Federal Match Equipment expense. To comply with the NOAA Budget Guidance, this justification should include:<sup>29</sup>

- Purpose of each item / why each item is necessary to complete the project
- Basis for each proposed Equipment expense (e.g., vendor quote, retail price with source and date researched, etc.)
- Applicant's threshold for classifying an item as equipment (i.e., \$5,000 or the applicant's capitalization level)<sup>30</sup>
- For general use equipment, statement that such equipment will be used 100% for the project.<sup>31</sup>

### EXAMPLE

#### *Equipment – Federal Costs*

**JUSTIFICATION:** A plotter printer with 36" scanner is needed to print the large-scale maps and posters needed for the project. The estimated cost is based on retail values at the time the application was written. The plotter printer will be dedicated 100% to this project.

<sup>29</sup> See NOAA Budget Guidance @ page 4.

<sup>30</sup> VA CZM requests this statement so that we may confirm equipment is being classified in accordance with the NOAA Budget Guidance (@ page 4) and the Uniform Guidance during our initial review of the proposal in order to reduce the need for follow-up requests. Please contact your VA CZM Project Manager if you need additional information.

<sup>31</sup> VA CZM requests this statement so that we may confirm equipment is being classified in accordance with the NOAA Budget Guidance (@ page 4) and the Uniform Guidance during our initial review of the proposal in order to reduce the need for follow-up requests.

### **D3. Equipment in the Budget Summary Table**

The total Federal and Non-Federal Match Equipment expense calculated in the Worksheets above should “roll up” into the Equipment line of the Budget Summary Table.

#### **EXAMPLE:**

<b>Category</b>	<b>Federal Request</b>	<b>Non-Federal Match</b>	<b>Total</b>
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	\$ -	\$ 6,350
Supplies			
Contractual			
Construction			
Other			
Total Direct Costs	\$ 88,160	\$ 36,599	\$ 124,759
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 88,160</b>	<b>\$ 36,599</b>	<b>\$ 124,759</b>

### **D4. Equipment Documentation**

If Equipment expense is included in the project budget, the following documentation must also be provided in order to comply with the NOAA Budget Guidance:<sup>32</sup>

- A lease versus purchase analysis must be provided for Equipment expenses. If such analysis cannot be completed, a statement to that effect must be provided.
- Applicant’s internal policies for equipment.

Additional documentation may also be requested.

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<sup>32</sup> NOAA Budget Guidance @ page 4.

## E. SUPPLIES

The Uniform Guidance generally defines “supplies” as any tangible personal property that does not fall within the Uniform Guidance definition of Equipment (outlined in **Section III. D- Equipment** above).<sup>33</sup>

To calculate the Supplies cost for each item:

$$\text{Rate (Unit cost for the Supplies item)} \times \text{Quantity allocated to the project}$$



The Uniform Guidance makes an exception for a “computing device” – this type of property may be treated as a supply if certain conditions are met.<sup>34</sup>



NOAA recommends that training materials (pamphlets, notebooks, videos, handouts, etc.) that are to be kept on hand be categorized as Supplies. Training materials that are to be ordered for specific training activities should be itemized and categorized as Other.<sup>35</sup>

### E1. Supplies Worksheet

If Supplies are included in the project budget, the Supplies Worksheet must be completed for each Federal and Non-Federal Match Supplies item. To comply with the NOAA Budget Guidance, the information provided must include:<sup>36</sup>

- Item description
- Rate (unit cost of the item) and the number of items
- Total cost of the item allocated to the project



To calculate the cost of general office supplies that will be allocated to the project, NOAA allows an estimate per month x the number of months needed during the budget period if appropriate.<sup>37</sup>

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<sup>33</sup> Uniform Guidance @ 2 CFR 200.94

<sup>34</sup> See Uniform Guidance @ 2 CFR 200.94, 200.453, 200.20. Please contact the appropriate VA CZM Project Manager if additional information is needed.

<sup>35</sup> NOAA Budget Guidance @ page 5.

<sup>36</sup> NOAA Budget Guidance @ page 5.

<sup>37</sup> NOAA Budget Guidance @ page 5.

**EXAMPLE:**

***Supplies Worksheet - Federal***

Item Description	Rate	Total Cost
General office supplies	\$50 / month x 12 months	\$ 600
Postage	\$37 / month x 8 months	\$ 296
Laptop Computer	\$900 / computer x 1 computer	\$ 900
Printer	\$300 / printer x 1 printer	\$ 300
Projector	\$900 / projector x 1 projector	\$ 900
Copies	\$0.10 / copy x 8,000 copies	\$ 800
<b>Total</b>		<b>\$ 3,796</b>

***Supplies Worksheet - Non-Federal (Match)***

Item Description	Rate	Total Cost
General office supplies	\$50 / month x 12 months	\$ 600
Bookcase	\$75 / bookcase x 1 bookcase	\$ 75
Digital camera	\$300 / camera x 1 camera	\$ 300
Fax machine	\$150 / machine x 1 machine	\$ 150
Computer	\$500 / computer x 1 computer	\$ 500
Postage	\$37 / month x 4 months	\$ 148
<b>Total</b>		<b>\$ 1,773</b>

**E2. Supplies Narrative Justification**

If Supplies expense is included in the project budget, a narrative justification for each expense item must be provided. This justification must include:<sup>38</sup>

- Purpose of each item / why each item is necessary to complete the project
- Basis for each estimate (e.g. retail price at the time of application, historical costs, etc.)
- If the Supplies expense allocated to Federal funding exceeds \$5,000 or 5% of the total Federal request (whichever is greater), an explanation must be provided.

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<sup>38</sup> See NOAA Budget Guidance @ page 5. Note: NOAA requires this information if a supply cost exceeds certain thresholds. Unless otherwise noted, VA CZM requests this information for all Supplies expense items in order to avoid the need for clarification after submission.

**EXAMPLE:**

*Supplies – Federal Costs*

**JUSTIFICATION:** Office supplies and copies are needed for the general operation of the project. A laptop and printer are required to conduct partnership work and presentations – both will need to be purchased. The projector is needed for presentations and outreach workshops. All estimates are based on retail values posted at the time of application.

*Supplies – Non-Federal Costs*

**JUSTIFICATION:** Office supplies, computer and a fax machine are needed for general operation of the project. The bookcase will be used to hold literature that provides background information and research for the project and the camera will be used to take photos of aspects of the project to include in the Final Report. The local television station is donating the bookcase, camera, fax machine and computer. The applicant is donating the other listed supplies.

**E3. Supplies in the Budget Summary Table**

The total Federal and Non-Federal Supplies expense calculated in the Worksheets above should “roll up” into the Supplies line of the Budget Summary Table.

**EXAMPLE:**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	\$ -	\$ 6,350
<b>Supplies</b>	<b>\$ 3,796</b>	<b>\$ 1,773</b>	<b>\$ 5,569</b>
Contractual			
Construction			
Other			
Total Direct Costs	\$ 91,956	\$ 38,372	\$ 130,328
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 91,956</b>	<b>\$ 38,372</b>	<b>\$ 130,328</b>

**E4. Supplies Documentation**

Additional documentation may be requested.

## F. CONTRACTUAL



The cost of work performed by a third party to help execute the applicant's project may be included in the project budget. It is important to note that the applicant may be subject to different requirements, including the extent to which it is responsible for monitoring the third party, depending upon whether the third party is considered a contractor / vendor or a subrecipient under the Uniform Guidance.<sup>39</sup> However, for purposes of the applicant's CZM proposal budget, VA CZM requests that applicants categorize any third party expense as a Contractual expense.<sup>40</sup>

### F1. Contractual Worksheet

If Contractual expenses are included in the project budget, a Contractual Worksheet (s) detailing the contract budget must be completed. A separate Contractual Worksheet must be completed for each contract, regardless of the dollar value.<sup>41</sup> These worksheets should detail the following expenses:

- Personnel
- Fringe
- Travel
- Equipment
- Supplies
- Contractual
- Construction
- Other
- Indirect

VA CZM also requires applicants to complete separate Contractual Subworksheets for each Contractual expense line item in order for VA CZM to review the nature of the third party's work. If detail for a particular budget category is not known, a statement to that effect should be included in the Contractual Subworksheet for that budget category.

Budget category guidance provided throughout this manual should be used to complete the Contractual Worksheet and Subworksheets.

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<sup>39</sup> Whether the Uniform Guidance and the NOAA Budget Guidance consider a third party to be a contractor or subrecipient depends upon the nature of each underlying performance agreement. To determine whether a third party is a contractor or subrecipient, the factors outlined in the Uniform Guidance @ 2 CFR 331 – *Subrecipient and Contractor Determination* should be considered.

<sup>40</sup> This budget classification is authorized in the NOAA Budget Guidance and will be consistent with VA CZM's classification of third party expense in its overall VA CZM grant application. See NOAA Budget Guidance @ page 6.

<sup>41</sup> See NOAA Budget Guidance @ page 5. Note: NOAA encourages primary applicants to provide separate budgets for each contract, but only requires this if a contract is considered "substantial." VA CZM goes beyond this to require that its subrecipients provide a separate budget for each contract and subcontract, regardless of size, in order to reduce the need for clarification after submission and to avoid having to determine whether a contract meets the "substantial" threshold that would make provision of a separate contract a NOAA requirement.



Contractual Indirect Costs are to be included in the Contractual Worksheet, not in the applicant's overall Indirect Cost calculation.<sup>42</sup>

**EXAMPLES:**

***Contractual Worksheet (Contractor / Vendor's Budget)***

Category	Federal	Match	Total
Personnel	\$ 10,000	\$ -	\$ 10,000
Fringe	\$ -	\$ -	\$ -
Travel	\$ 500	\$ -	\$ 500
Equipment	\$ -	\$ -	\$ -
Supplies	\$ -	\$ -	\$ -
Contractual	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -
Other	\$ -	\$ -	
Total Direct Costs	\$ 10,500	\$ -	\$ 10,500
Indirect Costs	\$ 1,050	\$ -	\$ 1,050
<b>Total</b>	<b>\$ 11,550</b>	<b>\$ -</b>	<b>\$ 11,550</b>

<b><i>Contractual Worksheet - Personnel Subworksheet</i></b>				
Title	Name	Annual Salary	Level of Effort (%)	Personnel Cost
XYZ Media - Photographer	TBD			\$ 2,500
XYZ Media - Production Staff	TBD			\$ 7,500
<b>Total</b>				<b>\$ 10,000</b>

*Note:* Specific XYZ Media staff have not yet been assigned to this project. However, XYZ Media has indicated the Personnel cost will be the same as that quoted above, regardless of which XYZ Media staff are ultimately selected.

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<sup>42</sup> This requirement is consistent with the requirements for the primary applicant listed in the NOAA Budget Guidance @ page 5.

<b>Contractual Worksheet - Travel Subworksheet</b>				
Purpose of Travel	Location	Item	Rate	Travel
Ground travel to regional photo shoot sites	Origin: Richmond, VA Destination: Various			\$ 500
<b>Total</b>				<b>\$ 500</b>

*Note:* Photo shoot sites will be selected as project work begins. We will indicate which sites were chosen in our progress reporting.

<b>Contractual Worksheet - Indirect Cost Subworksheet</b>		
Indirect Cost Rate	Indirect Cost Base	Indirect Cost
10%	Total Costs (\$10,500)	\$ 1,050
<b>Total</b>		<b>\$ 1,050</b>

## **F2. Contractual Narrative Justification**

If Contractual expense is included in the project budget, a justification must be provided for each contract.

To comply with the NOAA Budget Guidance, the following information must be provided.<sup>43</sup>

For each contract:

- Name of Contractor (if unknown, state “To be selected.”)
- Method of selection
- Scope of Work and necessity / relevance to the project
- Period of Performance for each task
- Criteria for measuring accountability
- Detail for each expense in the Contractual Worksheet (Contractor / Vendor budget)

### **EXAMPLE:**

#### **JUSTIFICATION:**

*Name of Contractor:* XYZ Media

*Method of selection:* Competitive

*Scope of Work:* Marketing materials for community outreach project (includes photography)

*Period of Performance:* 3 months

*Criteria for measuring accountability:* Production of quality deliverables within agreed-upon timeline

<sup>43</sup> NOAA Financial Assistance Workshop – Budget Proposals @ page 22; NOAA Budget Guidance @ page 6.

*Expense Detail:*

- Personnel – Total cost to be paid for photography and production staff
- Travel – Reimbursement for regional travel needed to produce marketing pieces
- Indirect costs – Per XYZ Media

**F3. Contractual in the Budget Summary Table**

The total Federal and Non-Federal Contractual expense calculated in the overall Contractual Worksheet should “roll up” into the Contractual line of the Budget Summary Table.

**EXAMPLE:**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	\$ -	\$ 6,350
Supplies	\$ 3,796	\$ 1,773	\$ 5,569
Contractual	\$ 11,550	\$ -	\$ 11,550
Construction			
Other			
Total Direct Costs	\$ 103,506	\$ 38,372	\$ 141,878
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 103,506</b>	<b>\$ 38,372</b>	<b>\$ 141,878</b>

**F4. Contractual Documentation**

Additional information may be requested.

## G. CONSTRUCTION

The Coastal Zone Management Act Section 306A Guidance governs any Construction expenses that are included in a Virginia CZM grant.

Examples of Construction activities allowable by VA CZM may include (but are not limited to) costs associated with:<sup>44</sup>

- Low-cost construction (e.g., boardwalks, trails, kayak launches, piers, observation decks, etc.)
- Habitat restoration
- Interpretive Signage

Please refer to the CZM Management Act Section 306A Guidance for further information.

### G1. Construction Worksheet

If Construction expenses are included in the project budget, detail regarding the Federal and Non-Federal Match must be provided in the Construction Worksheet. The information provided must include:

- Item description
- Rate (cost per unit) and the number of items
- Total cost of the item allocated to the project

#### EXAMPLE:

##### Construction Worksheet - Federal Costs

Item Description	Rate	Total Cost
Lumber - 10 foot 2x4	\$5 x 1,000 pieces	\$ 5,000
Nails	\$3 x 100 1lb packs	\$ 300
Shrubs - Wax Myrtle	\$3 x 50 shrubs	\$ 150
Shrubs - Beautyberry	\$4 x 50 shrubs	\$ 200
Trees - White oak	\$7.50 x 20 trees	\$ 150
<b>Total</b>		<b>\$ 5,800</b>

##### Construction Worksheet - Non-Federal (Match) Costs

Item Description	Rate	Total Cost
Benches	\$700 x 4 benches	\$ 2,800
Sign at restoration site	\$1,000 x 1 sign	\$ 1,000
<b>Total</b>		<b>\$ 3,800</b>

<sup>44</sup> Coastal Zone Management Act Section 306A Guidance @ Chapter 2, Section 2.3.

## **G2. Construction Narrative Justification**

If Construction expense is included in the project budget, a justification must be provided. This justification should include:

- Description of the construction project / relevance to the overall proposed project
- Description of each Construction item and relevance to the Construction project
- Basis for cost estimates

### **EXAMPLE:**

#### *Construction – Federal Costs*

**JUSTIFICATION:** A walkway will be constructed in XYZ County Park. Lumber / nails will be used to construct the walkway. Shrubs and trees will be planted in the walkway area for habitat restoration. Cost estimates are based on retail price as of application date.

#### *Construction – Non-Federal (Match) Costs*

**JUSTIFICATION:** Benches will be placed along the walkway to be constructed in XYZ County Park. Interpretive signage will describe the habitat surrounding the walkway. Cost estimates are based on retail price as of application date.

## **G3. Construction in the Budget Summary Table**

The total Federal and Non-Federal Construction expense calculated in the Construction Worksheet above should “roll up” into the Construction line of the Budget Summary Table.

### **EXAMPLE:**

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	\$ -	\$ 6,350
Supplies	\$ 3,796	\$ 1,773	\$ 5,569
Contractual	\$ 11,550	\$ -	\$ 11,550
Construction	\$ 5,800	\$ 3,800	\$ 9,600
Other			
Total Direct Costs	\$ 109,306	\$ 42,172	\$ 151,478
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 109,306</b>	<b>\$ 42,172</b>	<b>\$ 151,478</b>

#### **G4. Construction Documentation**

See the NOAA Budget Guidance at page 6. Additional documentation required in the Section 306A Guidance should also be provided.<sup>45</sup>

#### **H. OTHER**

The Other budget category can include allowable direct costs that do not fit within the budget categories outlined above.<sup>46</sup> For example:

- Expenses associated with a training or conference (e.g., facility rental, materials, speaker fees, local transportation, etc.)
- Printing
- Telephone
- Postage
- Rent for buildings used to conduct grant activities
- Utilities
- Cost of leased equipment
- Fee simple or other interests in land (e.g. land acquisition, easements)



Conference hosts / sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award.<sup>47</sup>



VA CZM requests that the cost of work performed by a third party to help execute the applicant's project be included as a Contractual expense, rather than as an expense in the Other budget category.<sup>48</sup>

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<sup>45</sup> Coastal Zone Management Act Section 306A Guidance @ Chapter 4; Section 306A Project Questionnaire.

<sup>46</sup> NOAA Budget Guidance @ page 6-7.

<sup>47</sup> Uniform Guidance @ 2 CFR 200.432; NOAA Budget Guidance @ page 7.

<sup>48</sup> As noted in the Contractual section of this Guidance, this budget classification is authorized in the NOAA Budget Guidance and will be consistent with VA CZM's classification of third party expense in its overall VA CZM grant application. See NOAA Budget Guidance @ page 6. It is important to note that the applicant may be subject to different requirements (unrelated to the budget), including the extent to which it is responsible for monitoring the third party, depending upon whether the third party is considered a contractor / vendor or a subrecipient under the Uniform Guidance. Whether the Uniform Guidance and the NOAA Budget Guidance consider a third party to be a contractor or subrecipient depends upon the nature of each underlying performance agreement. To determine whether a third party is a contractor or subrecipient, the factors outlined in the Uniform Guidance @ 2 CFR 331 – *Subrecipient and Contractor Determination* should be considered. Please contact the appropriate VA CZM Project Manager if additional information is needed.

## H1. Other Worksheet

If Other expenses are included in the project budget, detail regarding each Federal and Non-Federal Match item must be provided in the Other Worksheet. The information provided must include:<sup>49</sup>

- Type of expense
- Cost per unit and quantity
- Total cost of the item allocated to the project

### EXAMPLE:

#### Other Worksheet - Federal Costs

Item Description	Rate	Total Cost
Rent	\$15/sq ft x 700 sq feet	\$ 10,500
Telephone	\$100/month x 12 months	\$ 1,200
Student Surveys	\$1/survey x 2,784 surveys	\$ 2,784
Booklets	.89 cents/booklet x 1,500 booklets	\$ 1,335
<b>Total</b>		<b>\$ 15,819</b>

#### Other Worksheet - Non-Federal (Match) Costs

Item Description	Rate	Total Cost
Facility rental	Varies by facility; \$165 average/event x 100 events	\$ 16,500
Media spots - TV	\$250/spot x 50 spots	\$ 12,500
Internet	\$26/month x 12 months	\$ 312
Student surveys	\$1/survey x 1,500 surveys	\$ 1,500
Printing	\$300/run x 6 runs	\$ 1,800
<b>Total</b>		<b>\$ 32,612</b>

## H2. Other Narrative Justification

If Other expense is included in the project budget, a justification must be provided. This justification should include the following information:<sup>50</sup>

For each Other expense item:

- Expense description
- Expense necessity / relevance to the proposed project
- Basis for cost estimates<sup>51</sup>

<sup>49</sup> NOAA Budget Guidance @ pp 6-7.

<sup>50</sup> See NOAA Budget Guidance @ page 6.

<sup>51</sup> VA CZM requests this information in order to reduce the need for clarification after submission.

**EXAMPLE:**

*Other – Federal Costs*

**JUSTIFICATION:** Rental expense reflects the cost of the space dedicated to project operation. Telephone reflects the portion of the overall grantee telephone expense allocable to the project (based on percentage of effort of project personnel). Rental and telephone expense calculated using current rates as of application date.

Survey expense reflects costs that will be incurred to conduct and analyze 2,784 student surveys, which will be used to evaluate the project. Booklet expense reflects expected costs associated with printing of booklets that will be distributed at various trainings. Booklets will explain the importance of living shorelines in relationship to coastal resiliency and provide examples of different types of living shorelines and contact information for the Virginia Institute of Marine Science Center for Coastal Resources Management. Survey and booklet printing expense calculated using retail price as of application date.

*Other – Non-Federal Costs*

**JUSTIFICATION:** Various partner and community organizations will donate the space needed to conduct the various activities outlined in the Scope of Work, such as Teen Night Out, after-school programs and parent education classes. Rental expense for each venue varies, but falls within the range of \$75 - \$250/event as of the application date. Match value of facility rental is calculated using the average rental expense for this range.

Local television station is donating airtime for the Public Service Announcement detailed in this proposal (see attached Memorandum of Understanding.) The in-kind value of each donated spot is \$50 as of the application date.

Grantee is underwriting the cost of Internet services needed by the Full-Time Coordinator to execute the project. The Match value of these services is calculated using rates current as of the application date. The ABC School District is underwriting the cost of the remaining 1,500 student surveys, valued at \$1/survey as of the application date. These surveys will be used to evaluate the efficacy of the program. A partner member is underwriting the cost of printing the bi-monthly newsletter that will be used to inform community members of applicant projects and the status of each project.

**H3. Other in the Budget Summary Table**

The total Federal and Non-Federal *Other* expense calculated in the Worksheets above should “roll up” into the Other line of the Budget Summary Table.

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	\$ -	\$ 6,350
Supplies	\$ 3,796	\$ 1,773	\$ 5,569
Contractual	\$ 11,550	\$ -	\$ 11,550
Construction	\$ 5,800	\$ 3,800	\$ 9,600
Other	\$ 15,819	\$ 32,612	\$ 48,431
Total Direct Costs	\$ 125,125	\$ 74,784	\$ 199,909
Indirect Costs			\$ -
<b>Total</b>	<b>\$ 125,125</b>	<b>\$ 74,784</b>	<b>\$ 199,909</b>

**H4. Other Documentation**

Additional documentation may be requested.

## I. INDIRECT COSTS

### *Classifying Costs*

**Direct Costs** are those that are directly related and can be traced back to the cost of the project.<sup>52</sup> The Uniform Guidance defines direct costs as “those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.”<sup>53</sup>

The Uniform Guidance goes on to state that “typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related Fringe Benefit costs, the costs of materials and other items of expense incurred for the Federal award.”<sup>54</sup>

**Indirect Costs** are those that relate to the overall operation of an entity. The NOAA Budget Guidance defines Indirect Costs as “costs incurred for common or joint objectives which cannot be readily identified with an individual project or program but are necessary to the operations of the organization.”<sup>55</sup>

Examples of Indirect Costs can include:

- Personnel cost of CEO, Accounting and other general Administrative staff
- Facility expenses that cannot be tied directly to a specific project
- Office equipment that cannot be tied directly to a specific project

See the Uniform Guidance at 2 CFR 200.414 for more detail.



The Uniform Guidance outlines the requirements for determining whether a particular cost is assignable to a project /grant.<sup>56</sup>



In certain instances, costs that would otherwise be considered Indirect can be treated as Direct Costs (and included in the related budget category) if they can be attributed to a particular project / grant.

For example:

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<sup>52</sup> DOC Grant Guidance @ page 54.

<sup>53</sup> Uniform Guidance @ 2 CFR 200.413(a).

<sup>54</sup> Uniform Guidance @ 2 CFR 200.413(b).

<sup>55</sup> NOAA Budget Guidance @ page 7. This definition is consistent with the Uniform Guidance definition of indirect costs @ 200.56.

<sup>56</sup> Uniform Guidance @ 2 CFR 200.405.

### Administrative and Clerical Staff

The Uniform Guidance indicates that the salaries of *administrative and clerical staff* should normally be treated as Indirect Costs.<sup>57</sup> However, the Uniform Guidance allows these costs to be charged as Direct Costs if all of the following conditions are met:<sup>58</sup>

1. The administrative or clerical services are integral to the project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget (or have the prior written approval of the Federal awarding agency); and
4. The costs are not also recovered as Indirect Costs.

### Other Costs

The Uniform Guidance allows for other costs typically considered indirect to be treated as Direct Costs if they are directly related to the proposed project. These include:<sup>59</sup>

- Extraordinary utility consumption
- Cost of materials supplied from stock
- Program evaluation costs
- Services rendered by specialized facilities
- Other institutional service operations



The Uniform Guidance provides that costs incurred for the same purpose in like circumstances must be treated consistently as either Direct or Indirect Costs.<sup>60</sup>

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<sup>57</sup> Uniform Guidance @ 2 CFR 200.413(c).

<sup>58</sup> Uniform Guidance @ 2 CFR 200.413(c).

<sup>59</sup> Uniform Guidance @ 2 CFR 200.413(b).

<sup>60</sup> Uniform Guidance @ 2 CFR 200.413(a).

## Calculating Indirect Costs

For a VA CZM subaward proposal, the maximum amount of Indirect Cost expense allowed is calculated with the following formula:

$$\text{Approved Indirect Cost Rate} \times \text{Approved Cost Base}$$

The applicant may choose to include less than this maximum amount of Indirect Costs allowed or no Indirect Costs at all, but cannot exceed the maximum amount allowed (Federal plus Match).

### Types of Indirect Cost Rates

The Uniform Guidance provides that Indirect Costs must be calculated using one of the following rates in order to be accepted:<sup>61</sup>

- Approved federally recognized Indirect Cost rate negotiated between the subrecipient and the Federal Government, *or*
- If no approved federally recognized Indirect Cost rate exists, either:
  - Rate negotiated between the pass-through entity and the subrecipient (in compliance with the Uniform Guidance)
  - or*
  - “De minimis” Indirect Cost rate, currently defined by the Uniform Guidance as 10% of “modified total direct costs” (MTDC).<sup>62</sup> *Note: Availability of the de minimis rate is limited to certain entities and, if chosen, must be used consistently for all Federal awards until a new rate is negotiated.*<sup>63</sup>



If the applicant has a current federally approved rate in place at the time of application, the NOAA Budget Guidance adds that the amount for Indirect Costs must be calculated by using the current approved rate (not the rate the applicant expects will be in place during the subaward period).<sup>64</sup>

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<sup>61</sup> Uniform Guidance @ 2 CFR 200.332(a)(4).

<sup>62</sup> Uniform Guidance @ 2 CFR 200.332(a)(4); 200.414(f), 200.68 (defining “modified total direct costs”).

<sup>63</sup> Uniform Guidance @ 2 CFR 200.414(f); 2 CFR 200 @ Appendix VII.D.1.b. The subrecipient may apply to negotiate a new rate at any time. 2 CFR 200.414(f).

<sup>64</sup> NOAA Budget Guidance @ page 8.

If the applicant is awarded a VA CZM grant based on an approved Indirect Cost rate in place at the time the application is prepared and this approved Indirect Cost rate changes during the grant the applicant may request to rebudget Indirect Cost funds through a budget amendment.<sup>65</sup>

❖ See the *Indirect Cost Rate – Appropriate Rate and Required Documentation Flow Chart* that follows to determine the type of Indirect Cost rate that may be used and the documentation that must be submitted with the applicant’s subaward proposal.

#### Base for Indirect Cost Calculation

The cost base to which the Indirect Cost rate should be applied must be approved by the appropriate federal agency (if using a federally approved Indirect Cost rate) or the pass-through entity (if using a negotiated rate). If using the de minimis rate, the Indirect Cost rate should be applied to a cost base of “modified total direct costs” (MTDC).<sup>66</sup>

#### Unrecovered Indirect Costs as Non-Federal Match

Any “unrecovered” Federal Indirect Costs that are otherwise allowable may be included as Non-Federal Match in the proposal budget.<sup>67</sup> Unrecovered Federal Indirect Costs can result if the applicant chooses to “cap” its Federal Indirect Costs by including an Indirect Cost amount in the Federal side of the budget that is less than the maximum Indirect Cost amount the applicant could have included per its Indirect Cost rate – the balance of Federal indirect cost expense not included in the Federal side of the budget is considered unrecovered Federal Indirect Cost.<sup>68</sup>



The applicant may cap Indirect Costs at different amounts in different tasks, but must use the same Indirect Cost rate in all tasks to calculate the maximum amount of Indirect Costs allowed as the foundation for doing so.

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<sup>65</sup> Refer to the General Terms and Conditions for Federally Funded Grant Contracts (VA CZM Program) included in a grantee’s award package for specific detail regarding the budget amendment process or contact the appropriate VA CZM Project Manager for more information.

<sup>66</sup> NOAA Budget Guidance @ page 8; Uniform Guidance @ 200.414(f), 200.68 (defining “modified total direct costs”).

<sup>67</sup> Uniform Guidance @ 2 CFR 200.306(c). VA CZM considers NOAA’s approval of a proposal budget that includes unrecovered indirect costs as Non-Federal Match as meeting the “prior approval” requirement of this Uniform Guidance provision.

<sup>68</sup> See Uniform Guidance @ 2 CFR 200.306(c).

## 11. Indirect Cost Worksheet

If Indirect Costs are included in the project budget, the Indirect Cost Worksheet must be completed. The information provided must include:

- Indirect Cost rate percentage
- Total cost base amount - Federal plus Match (Examples of approved bases are Personnel only, Personnel and Fringe, MTDC, etc.)
- Total allowed Indirect Costs
- Total Indirect Cost amount included in the project budget (this amount will be the same as the total Indirect Costs allowed unless the applicant chooses to cap its Indirect Costs).
- Allocation of total Indirect Cost amount between Federal and Non-Federal Match



The applicant's Indirect Cost base should include applicant costs only - the Indirect Costs of third parties should be categorized as *Contractual*. See **Section III. F - Contractual** for more detail about calculating Contractual expenses.

### EXAMPLES

The examples below assume the following:

- Federally approved rate of 25% on a federally approved base of Personnel costs only.
- Federal Personnel cost of \$62,500
- Non-Federal Match Personnel cost of \$27,600
- Total Personnel cost of \$90,100

#### EXAMPLE 1 - Indirect Costs Fully Charged to Budget, Proportional Split Between Federal and Match

##### Indirect Cost Worksheet

Indirect Cost Rate	Total Base Amount (Fed + Match)	Maximum Allowed Indirect Cost (Rate x Total Base)	Total Indirect Cost included in Project Budget
25%	\$ 90,100	\$ 22,525	\$ 22,525

Federal Indirect Cost	Non-Federal (Match) Indirect Cost	Total Included in Project Budget
15,625	\$ 6,900	\$ 22,525

In this example, the maximum amount of indirect cost is included in the project budget and is allocated between Federal / Match in the same proportion as the base costs.

Federal Indirect Cost = Federal Personnel (\$62,500) x Indirect Cost Rate (25%).

Match Indirect Cost = Match Personnel (\$27,600) x Indirect Cost Rate (25%).

**EXAMPLE 2 - Indirect Costs Fully Charged to Budget, Federal Indirect Cost Capped / Unrecovered Federal Indirect Cost Counted as Match**

Indirect Cost Rate	Total Base Amount (Fed + Match)	Maximum Allowed Indirect Costs (Rate x Total Base)	Total Indirect Cost included in Project Budget
25%	\$ 90,100	\$ 22,525	\$ 22,525

Federal Indirect Cost	Non-Federal (Match) Indirect Cost	Total in Budget
10,000	\$ 12,525	\$ 22,525

In this example, the maximum amount of indirect cost is included in the project budget, but less than the full amount allowed is charged on the Federal side - the balance of Federal Indirect costs is added to the amount allowed in Match Indirect Costs. The total amount of Indirect Costs included in the budget does not exceed the maximum amount allowed for indirect costs.

Total Federal Indirect Costs in Budget ---- Federal Personnel (\$62,500) x Indirect Cost Rate (25%) = \$15,625. Only \$10,000 of this amount is charged on the Federal side, leaving a balance of \$5,625 in "unrecovered indirect costs."

Total Match Indirect Costs In Budget ----- Match Personnel (\$27,600) x Indirect Cost Rate (25%) = \$6,900. Maximum Match amount allowed (\$6,900) + Unrecovered Indirect Costs not charged on the Federal side (\$5,625) = \$12,525.

**EXAMPLE 3 -- Federal & Non-Federal Match Indirect Costs Capped / Unrecovered Indirect Cost Not Counted as Match**

Indirect Cost Rate	Total Base Amount (Fed + Match)	Maximum Allowed Indirect Costs (Rate x Total Base)	Total Indirect Cost included in Project Budget
25%	\$ 90,100	\$ 22,525	\$ 15,000

Federal	Non-Federal (Match)	Total in Budget
10,000	\$ 5,000	\$ 15,000

In this example, the total amount of indirect costs included in the project budget is capped -- less than the maximum amount allowed is included in the budget.

Federal Indirect Costs in Budget Capped -- Federal Personnel (\$62,500) x Indirect Cost Rate (25%) = \$15,625. Only \$10,000 of this amount is charged on the Federal side, leaving a balance of \$5,625 in unrecovered indirect costs.

Match Indirect Costs in Budget Capped -- Match Personnel (\$27,600) x Indirect Cost Rate (25%) = \$6,900. Only \$5,000 of this amount is charged on the Match side. Further, the balance of \$5,625 in unrecovered indirect costs not charged on the Federal side is not added to the Match allocation. Accordingly, the overall amount of indirect costs included in the project budget (\$15,000) is less than the maximum allowed.

## 12. Indirect Cost Narrative Justification

If Indirect Costs are included in the project budget, a justification must be provided. This justification should include the following information.

- Type of Indirect Cost rate applying (federally approved, negotiated, de minimis)
- Components of the cost base to which the rate is applied (e.g., Personnel only, Personnel and Fringe, Modified Total Direct Costs and what comprises it, etc.)
- Whether Indirect Costs are capped and, if so, a statement as to whether capping was a voluntary election.<sup>69</sup>

## 13. Indirect Cost in the Budget Summary Table

The total Federal and Non-Federal Indirect Cost expense calculated in the Indirect Cost Worksheet above should "roll up" into the Indirect Cost line of the Budget Summary Table.

**EXAMPLE** (Based on Example 1 in the Indirect Cost Worksheet section above)

Category	Federal Request	Non-Federal Match	Total
Personnel	\$ 62,500	\$ 27,600	\$ 90,100
Fringe	\$ 15,625	\$ 6,900	\$ 22,525
Travel	\$ 3,685	\$ 2,099	\$ 5,784
Equipment	\$ 6,350	-	\$ 6,350
Supplies	\$ 3,796	\$ 1,773	\$ 5,569
Contractual	\$ 11,550	-	\$ 11,550
Construction	\$ 5,800	\$ 3,800	\$ 9,600
Other	\$ 15,819	\$ 32,612	\$ 48,431
Total Direct Costs	\$ 125,125	\$ 74,784	\$ 199,909
Indirect Costs	\$ 15,625	\$ 6,900	\$ 22,525
Total	\$ 140,750	\$ 81,684	\$ 222,434

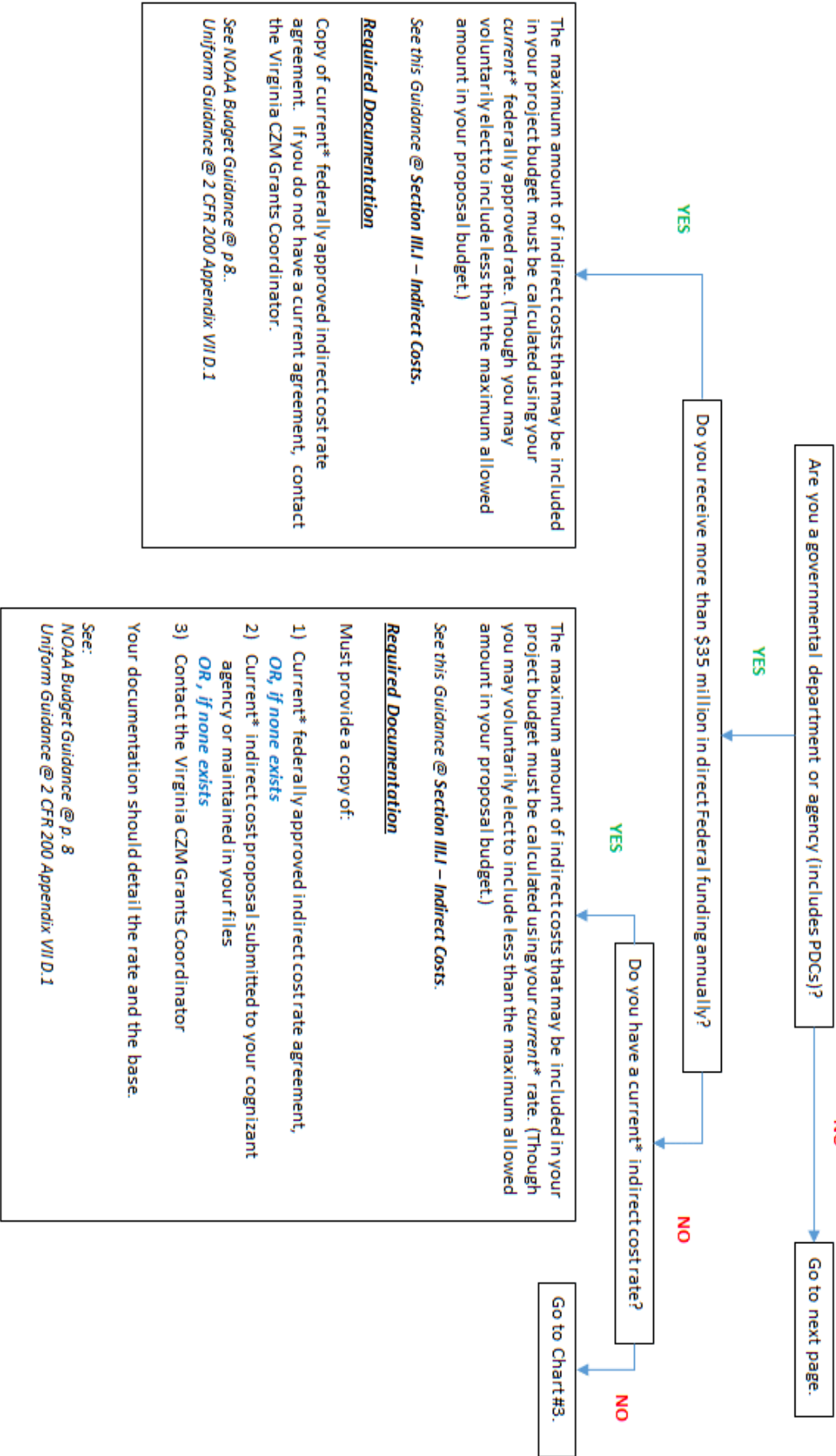
## 14. Indirect Cost Documentation

The type of documentation required to substantiate the applicant's Indirect Cost allocation varies depending upon the type of rate to be applied, the type of applicant, etc. See the *Indirect Cost Rate – Appropriate Rate and Required Documentation Flow Charts* that follow.

Additional information may be requested by VA CZM.

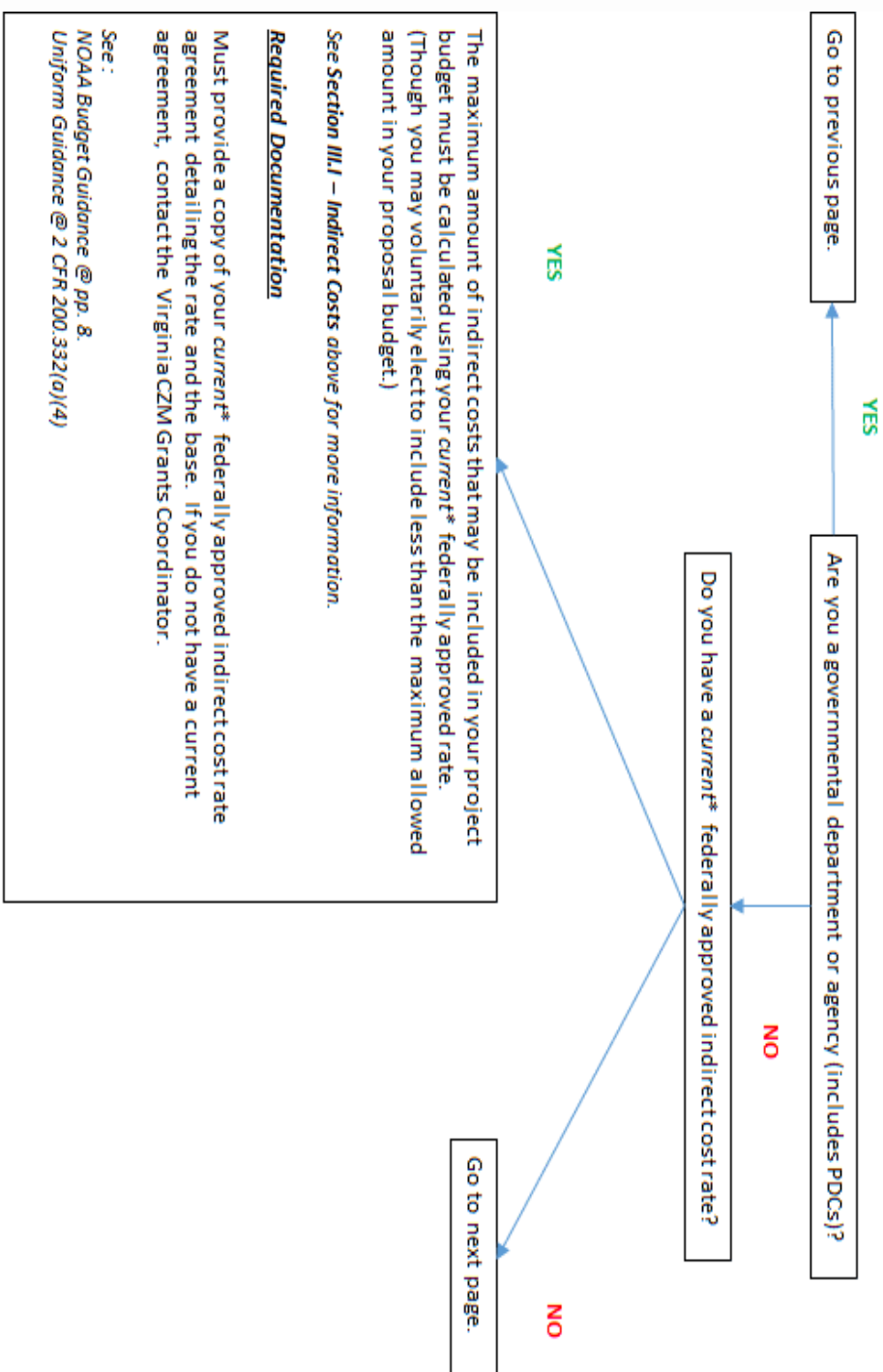
<sup>69</sup> See Department of Commerce Financial Assistance Memorandum 2015-02 (July 20, 2015) @ page 4.

Virginia CZM  
Indirect Cost Rate – Appropriate Rate and Required Documentation (Chart #1)



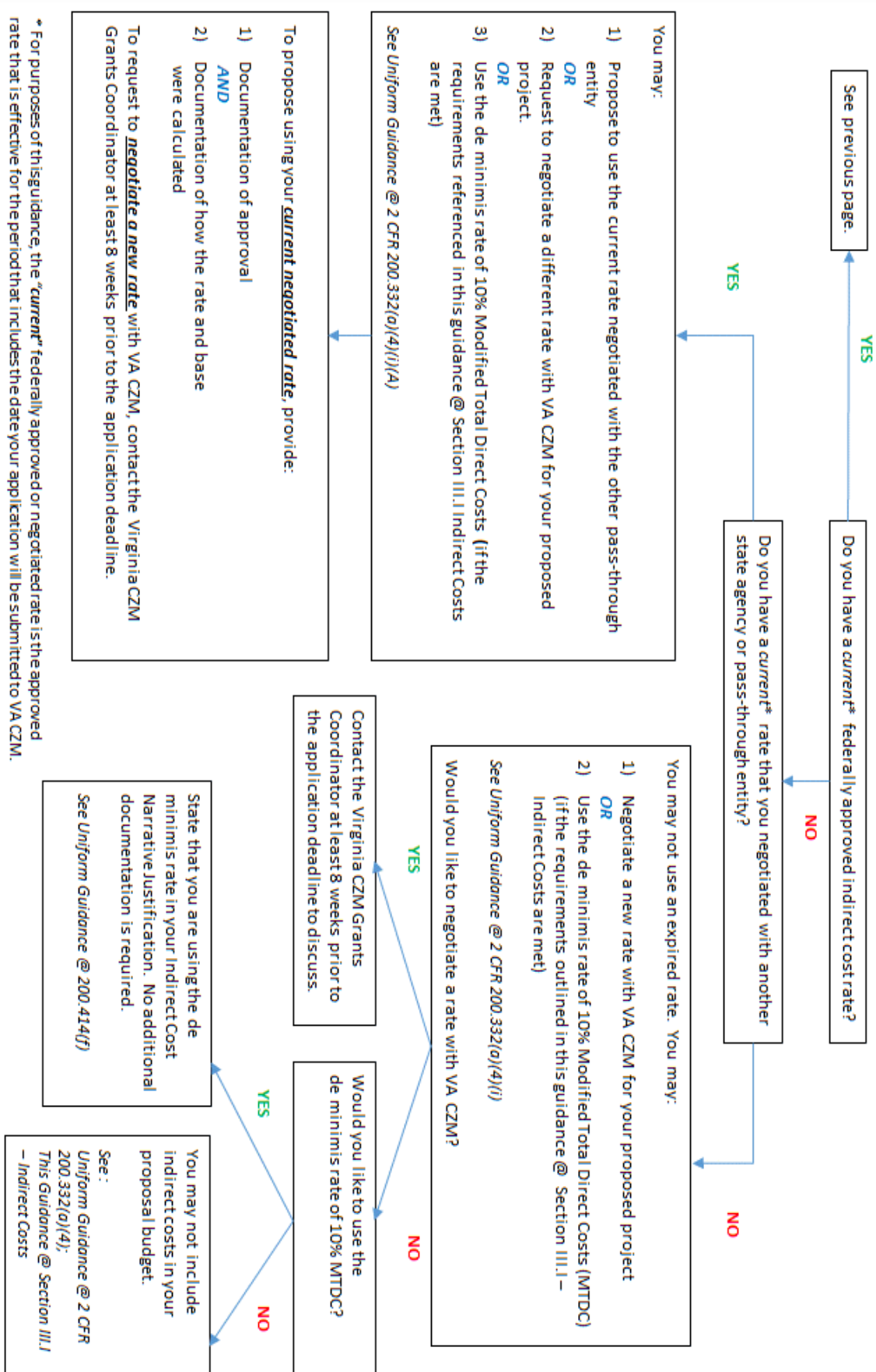
\* For purposes of this guidance, the “*current\**” federally approved or negotiated rate is the approved rate that is effective for the period that includes the date your application will be submitted to VA CZM.

### Virginia CZM Indirect Cost Rate – Appropriate Rate and Required Documentation (Chart #2)



\* For purposes of this guidance, the "current" federally approved or negotiated rate is the approved rate that is effective for the period that includes the date your application will be submitted to VA CZM.

### Virginia CZM Indirect Cost Rate – Appropriate Rate and Required Documentation, Cont'd. (Chart #3)



#### IV. CHECKLIST

##### GENERAL

- \_\_\_\_\_ Budget includes only whole dollars (no cents).
- \_\_\_\_\_ Functionality embedded in Budget Worksheets has been used whenever possible (e.g., numbers have been hard-coded only when rounding is an issue or the functionality is not working.)
- \_\_\_\_\_ The Virginia CZM Grants Coordinator has been notified regarding any detail required by the guidance that cannot be provided.

##### PERSONNEL

- \_\_\_\_\_ Personnel Worksheet & Narrative Justification have been completed with the required detail (Sections A1, A2 of the guidance).
- \_\_\_\_\_ Any administrative / clerical staff included here satisfy the conditions outlined in Section A of this Guidance.
- \_\_\_\_\_ Costs included here have not also been included as indirect costs (Sections A, I).
- \_\_\_\_\_ No staff have been allocated more than 100% (within a task or across all proposal tasks). (Section A1).
- \_\_\_\_\_ The annual salary amount listed for each project staff is current and consistent across proposal tasks (Section A1).
- \_\_\_\_\_ *Purchased* third party time has not been included here (should be in Contractual) (Section A).
- \_\_\_\_\_ *Donated* third party staff time has been included in the Non-Federal Match column and noted as “in-kind” (Section A1).
- \_\_\_\_\_ The total Federal and Non-Federal Match Personnel amounts included in the Budget Summary Table are the same as the totals calculated in the Personnel Worksheet (Section A3).

## FRINGE

- \_\_\_\_\_ Fringe Worksheet & Narrative Justification have been completed with the required detail (Sections B1, B2 of the guidance).
- \_\_\_\_\_ Fringe expense has been calculated consistently for all project staff within and across tasks (Section B).
- \_\_\_\_\_ Fringe expense has been allocated proportionally to Federal and Non-Federal Match (Section B).
- \_\_\_\_\_ Fringe of *donated* third party staff time has been calculated using the rate provided by the third party's employer. (Section B)
- \_\_\_\_\_ Fringe of *purchased* third party time has not been included here (should be in Contractual). (Section B)
- \_\_\_\_\_ The sum of the Fringe Rate components is the same as the total Fringe Rate used in the calculations. (Section B1)
- \_\_\_\_\_ The salary amounts used to calculate Fringe expense match the salary amounts listed in the Personnel Worksheet. (Section B)
- \_\_\_\_\_ The total Federal and Non-Federal Match Fringe amounts included in the Budget Summary Table are the same as the totals calculated in the Fringe Worksheet (Section B3).

## TRAVEL

- \_\_\_\_\_ Travel Worksheet & Narrative Justification have been completed with the required detail (Section C1, C2 of the guidance).
- \_\_\_\_\_ Travel of only project staff has been included here. (Section C of the guidance)
- \_\_\_\_\_ Registration fees have not been included here (should be in Other) (Section C)
- \_\_\_\_\_ Each trip has been detailed separately. (Section C)
- \_\_\_\_\_ If not using the IRS Standard Mileage Rate to calculate mileage expense, justification has been provided in the Narrative Justification. (Section C2)
- \_\_\_\_\_ The total Federal and Non-Federal Match Travel amounts included in the Budget Summary Table are the same as the totals calculated in the Travel Worksheet (Section C3)

## EQUIPMENT

- \_\_\_\_\_ Equipment Worksheet & Narrative Justification have been completed with the required detail (Section D1, D2 of the guidance)
- \_\_\_\_\_ Classification of Equipment expense is consistent with the requirements outlined in Section D of the guidance.
- \_\_\_\_\_ The total Federal and Non-Federal Match Equipment amounts included in the Budget Summary Table are the same as the totals calculated in the Equipment Worksheet (Section D3)
- \_\_\_\_\_ Documentation required by Section D4 of the guidance has been provided.

## SUPPLIES

- \_\_\_\_\_ Supplies Worksheet & Narrative Justification have been completed with the required detail (Section E1, E2 of the guidance)
- \_\_\_\_\_ Classification of Supplies expense is consistent with the requirements outlined in Section E of the guidance.
- \_\_\_\_\_ The total Federal and Non-Federal Match Supplies amounts included in the Budget Summary Table are the same as the totals calculated in the Supplies Worksheet (Section E3)

## CONTRACTUAL

- \_\_\_\_\_ Classification of Contractual expense is consistent with the requirements outlined in Section F of the guidance.
- \_\_\_\_\_ The following have been completed for each contract (Section F1, F2 of the guidance)
  - Contractual Worksheet
  - Contractual Subworksheet for each line item in the Contractual Worksheet
  - Narrative Justification
- \_\_\_\_\_ The Federal and Non-Federal Match Contractual amounts included in each line of the overall Contractual Worksheet are the same as the totals calculated in the related Contractual Subworksheets. (Section F1)
- \_\_\_\_\_ The total Federal and Non-Federal Match Contractual amounts included in the Budget Summary Table are the same as the totals calculated in the overall Contractual Worksheet (Section F3)

## CONSTRUCTION

- \_\_\_\_\_ Classification of Construction expense is consistent with the requirements outlined in Section G of the guidance.
- \_\_\_\_\_ Construction Worksheet & Narrative Justification have been completed with the required detail (Section G1, G2 of the guidance)
- \_\_\_\_\_ The total Federal and Non-Federal Match Construction amounts included in the Budget Summary Table are the same as the totals calculated in the Construction Worksheet (Section G3)
- \_\_\_\_\_ Documentation required by Section G4 of the guidance has been included.

## OTHER

- \_\_\_\_\_ Classification of Other expense is consistent with the requirements outlined in Section H of the guidance.
- \_\_\_\_\_ Other Worksheet & Narrative Justification have been completed with the required detail (Section H1, H2 of the guidance)
- \_\_\_\_\_ Cost of third party time (for which funds will be expended) has not been included here (should be in Contractual). (Section H)
- \_\_\_\_\_ The total Federal and Non-Federal Match Other amounts included in the Budget Summary Table are the same as the totals calculated in the Other Worksheet (Section H3)

## INDIRECT COSTS

- \_\_\_\_\_ Classification of Indirect Costs expense is consistent with the requirements outlined in Section I of the guidance.
- \_\_\_\_\_ Indirect Cost Worksheet & Narrative Justification have been completed with the required detail (Section I1, I2)
- \_\_\_\_\_ The Indirect Cost Rate used to calculate Indirect Costs is consistent with the requirements of Section I of the guidance and the Indirect Cost Rate flow charts. (Section I)
- \_\_\_\_\_ The Indirect Cost Rate used to calculate Indirect Costs is consistent across proposal tasks. (Section I)

**INDIRECT COSTS, *Cont'd.***

\_\_\_\_\_ Costs included here have not also been included as direct costs. (Section I)

\_\_\_\_\_ Costs included here do not include the Indirect Costs of third parties (should be Contractual).  
(Section I)

\_\_\_\_\_ If Indirect Costs have been capped (Section I1):

- Maximum allowable Indirect Cost expense and the capped amount have been calculated in the Indirect Cost Worksheet
- Choice to cap and the capped amount is noted in the Narrative Justification
- Statement regarding whether the choice to cap was voluntary is included in the Narrative Justification
- Capped amount is included in the Budget Summary Table

\_\_\_\_\_ Documentation required by Section I4 has been provided.

## **V. CONTACTS**

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Virginia DEQ - Coastal Zone Management (CZM)  
*<https://www.deq.virginia.gov/get-involved/coastal-zone-management>*

## VI. REFERENCES

- **Coastal Zone Management Act Section 306A Guidance ----**  
Available at: <https://coast.noaa.gov/data/czm/media/guide306a.pdf>
- **Coastal Zone Management Section 306A Project Questionnaire ----**  
Available at: <https://coast.noaa.gov/czm/guidance/>
- **Department of Commerce Financial Assistance Memorandum 2015-02 ----**  
Available at: [http://www.osec.doc.gov/oam/grants\\_management/policy/](http://www.osec.doc.gov/oam/grants_management/policy/)
- **DOC Grant Guidance** (Department of Commerce Grants and Cooperative Agreements Manual, October 24, 2016 – Interim Change 1 January 25, 2018 ) ----  
Available at: [http://www.osec.doc.gov/oam/grants\\_management/policy/](http://www.osec.doc.gov/oam/grants_management/policy/)
- **Financial Accounting Standards Board – Concepts Statement No. 8: Conceptual Framework for Financial Reporting – Chapter 1, The Objective of General Purpose Financial Reporting and Chapter 3, Qualitative Characteristics of Useful Financial Information (A Replacement of FASB Concepts Statements No. 1 and No. 2) As Amended - Issue Date 9/10**  
Available at: <https://www.fasb.org/jsp/FASB/Page/PreCodSectionPage&cid=1176156317989>
- **Financial Accounting Standards Board – Accounting Standards Codification**  
Available at <https://asc.fasb.org/home>
- **NOAA Acquisition & Grants Website – Financial Assistance ----**  
Available at: <https://www.noaa.gov/organization/acquisition-grants/financial-assistance>
- **NOAA Budget Guidance** (Budget Narrative Guidance for NOAA Grants – May 24, 2017) ----  
Available at:  
<https://www.noaa.gov/organization/acquisition-grants/how-to-apply> --- Click on link in Financial Assistance Budget Guidelines
- **NOAA 2020 Financial Assistance Workshop - Budget Proposals Presentation (March 2020) -----**  
Available at:  
<https://www.noaa.gov/sites/default/files/atoms/files/FY20%20NOAA%20Financial%20Assistance%20Workshop%20-%20Budget%20Proposals.pdf>
- **NOAA Frequently Asked Questions about Financial Assistance ----**  
Available at: <https://www.noaa.gov/organization/acquisition-grants/frequently-asked-questions>
- **Uniform Guidance - 2 CFR 200** (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards – Updated 1/7/21) ----  
Available at: <https://www.ecfr.gov>